

## DELIVERED ELECTRONICALLY

January 26, 2022

Mr. Claudio Fort, President and CEO  
Rutland Regional Medical Center  
160 Allen St.  
Rutland, VT 05701

**RE: Docket No. GMCB-012-17con, Construction of Medical Office Building,  
Renovations to Loading Dock, Dietary and Vermont Orthopedic Clinic and  
Upgrades to Site Drainage and Detention Pond System.**

Dear Mr. Fort:

Thank you for the implementation report for the above referenced project and request for a jurisdictional determination dated January 20, 2022, regarding the unanticipated failure of the existing HVAC system that serves the former Vermont Orthopedic Clinic (VOC).

As acknowledged in your letter dated January 20, 2022, the renovation of the VOC, now used for administrative offices, was part of the total project referenced above (Docket No. GMCB-012-17con). Replacement of the HVAC system for the VOC building was not originally foreseen and therefore was not included in the scope of the total project. However, you have explained that with the recent cold weather, the HVAC system failed and is inadequate to keep the VOC area sufficiently warm for the employees who have their offices in this space. RRMC's construction management firm has determined that the HVAC system serving the VOC must be replaced.

Your letter also represents that all components included in the original scope of work for the total project have been completed under budget, with \$2,995,637 remaining. You have represented that as \$2,995,637 remains unspent, and the replacement HVAC for the VOC area is estimated to cost between \$300,000-\$350,000, there are sufficient unspent funds available to replace the HVAC for the VOC.

Given that the VOC building was included in the above referenced CON project and that the unanticipated failure of the HVAC system for the VOC occurred prior to the CON expiration date of January 23, 2022, we will, under separate cover, amend the existing CON and extend the CON for an additional year and require the submission of the narrative implementation report and financial spreadsheet every six months through January 23, 2023. Before amending the



CON, please submit the following: a breakdown of the budget for the replacement of the HVAC system for the VOC space, representing all costs to make the system fully operational; address how the project will address statutory Criteria 2 A-D; and submit a letter from Efficiency Vermont that confirms RRMC has incorporated appropriate energy efficiency measures in implementing the replacement HVAC component for the VOC space. After reviewing those documents, we expect to amend the CON for Docket No. GMCB-012-17con.

Please send the budget for the replacement HVAC system for the VOC space to me electronically at [donna.jerry@vermont.gov](mailto:donna.jerry@vermont.gov), and provide a three-hole punched hard copy with a Verification Under Oath to the Green Mountain Care Board, 144 State Street, Montpelier, Vermont 05602, Attention: Donna Jerry.

If you have further questions, please do not hesitate to contact me at 802-760-8162.

Sincerely,

*s/ Donna Jerry*

Donna Jerry  
Senior Health Policy Analyst

cc. Laura Beliveau  
Staff Attorney

